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attach thereto any conditions it chooses, and the trustee in bankruptcy takes subject to those conditions. *Hyde v. Woods*, 94 U. S. 523. Claims arising from transactions on the exchange, however, are contract rights: their value is not derived from any action of the board. Hence, it is submitted, the board cannot control the distribution of the money realized on such claims, contrary to the provisions of the Bankruptcy Act. *Cohen v. Budd*, 52 N. Y. Misc. 217. Obviously the fact that the parties may have contracted with reference to such a rule of the exchange is immaterial. A contract whereby A agrees to buy stock from B, and in the event of B's bankruptcy to pay C so much of the purchase price as may be owing by B to C, is clearly opposed to the policy and the letter of the Bankruptcy Act.

BANKRUPTCY — SET-OFF AND COUNTERCLAIM — NO SET-OFF AGAINST AMOUNT DUE ON UNPAID STOCK SUBSCRIPTIONS. — The trustee in bankruptcy of a corporation filed a bill in equity to compel payment by the stockholders of subscriptions to the capital stock. The stockholders pleaded as a set-off the amount to which they were entitled as bondholders on a foreclosed mortgage. Section 68 of the Bankruptcy Act of 1898 allows set-off in all cases of "mutual debts or mutual credits." *Held*, that the set-off is not available. *Babbitt v. Read*, 23 Am. B. R. 254 (Circ. Ct., S. D., N. Y.).

The right of set-off between solvent parties is given to prevent cross actions; its object in bankruptcy is to do substantial justice. See *Forster v. Williams*, 12 M. & W. 191, 203. But this difference in purpose has not led to any extension of the doctrine under bankruptcy acts. See *Sawyer v. Hoag*, 17 Wall. (U. S.) 610, 622. The debts and credits must be due in the same right and capacity. *Wright v. Rogers*, 30 Fed. Cas. 692. Thus a debt due to one as executor cannot be set off against a debt due from him individually. *Bishop v. Church*, 3 Atk. 691. By the weight of authority there is no right to set off joint or partnership debts against individual debts or *vice versa*, in the absence of special circumstances. *In the Matter of Van Allen*, 37 Barb. (N. Y.) 225. *Contra*, *In re Carrier*, 39 Fed. 193. And one who holds only the bare legal title to a note given by a bankrupt cannot set off against it a debt which he owes to the bankrupt individually. *In re Lane*, 14 Fed. Cas. 1069. The capital stock of a corporation, especially its unpaid subscriptions, is a trust fund for the benefit of the general creditors of the corporation. See *Sawyer v. Hoag*, 17 Wall. (U. S.) 610, 620. And so in the principal case the debts are not due in the same right. See *Bausman v. Kinnear*, 79 Fed. 172.

CONFLICT OF LAWS — CONTRACTS — INTERPRETATION. — Under a compromise of a contested Massachusetts will, a settlement was made for a minor by which a sum was retained in trust with the provision that if she died before the expiration of the trust, the fund should go to her "heirs at law." All the parties to the settlement were then domiciled in Massachusetts. The infant's domicile was later changed to New York and she there died. *Held*, that the Massachusetts law must determine who are the "heirs at law." *Brandeis v. Atkins*, 90 N. E. 861 (Mass.).

When a contract is made in one jurisdiction to be performed in another, the cases are in great conflict as to what law governs its validity. But when a will or deed or simple contract is conceded to be valid, the cases are in substantial harmony as to what law shall govern the interpretation of the words used. The question is really one of fact: What did the parties using them intend? See *Lincaln v. Perry*, 149 Mass. 368, 373. In an insurance policy the word "heirs," as designating the beneficiaries, is commonly interpreted under the law of the insured's domicile. *Knights Templars, etc., Aid Ass. v. Greene*, 79 Fed. 461. When by a will property is devised to the heirs of a person domiciled abroad, the heirs are determined under the law of the testator's domicile. *In re Fergusson's Will*, [1902] 1 Ch. 483. And if persons domiciled in different jurisdictions contract,